

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THACKER-GRIGSBY)	
TELEPHONE COMPANY, INC. FOR A)	
CERTIFICATE OF PUBLIC CONVENIENCE)	
AND NECESSITY TO REPLACE CERTAIN)	CASE NO. 92-373
CENTRAL OFFICES AND ASSOCIATED)	
SWITCHING FACILITIES)	

O R D E R

On August 31, 1992, Thacker-Grigsby Telephone Company, Inc. ("Thacker-Grigsby") filed an application for a Certificate of Public Convenience and Necessity to construct additional plant and facilities to be utilized in providing service to its subscribers.

Thacker-Grigsby is a privately owned company engaged in providing telephone service to its customers in Knott, Perry, Floyd and Breathitt counties whose principal office is located in Hindman, Kentucky. This multi-exchange company provides service over approximately 593 miles of line with central offices located in Cody, Fisty, Hindman, Mousie, Pippa Passes, and Topmost.

In September 1991, a bona fide request for long distance equal access was made by MCI Telecommunications Corporation. To accommodate this request, Thacker-Grigsby must replace its VIDAR ITS-5 switch at Hindman and the VIDAR remotes at Softshell, Pinetop, Mousie, Cordia, and Pippa Passes. The VIDAR equipment is 12 years old and is no longer being manufactured, which eliminates any technological advancement upgrades. With this new equipment in place, Thacker-Grigsby positions itself to provide equal access,

CLASS services, future implementation of SS7 or its related features and the ability to handle interchangeable NPA and office codes.

Thacker-Grigsby will add a new Northern Telecommunications DMS-10 switch at Cody, Kentucky. This central switch will provide support for remotes located in Fisty and Topmost. The VIDAR remotes at Pippa Passes and Mousie will be replaced with remotes which are Northern Telecommunications compatible. These remotes will also interface with the Cody DMS-10 switch. Thacker-Grigsby plans to replace VIDAR equipment at Pinetop, Cordia and Softshell and establish new remotes at Vest, Garner, Carrie and Mallie. These locations will home on the Hindman DMS-10 switch. The estimated cost for the new switches and their associated engineering costs is approximately \$1,660,000.

Central Association Engineering, Thacker-Grigsby's consulting engineer, prepared a cost comparison study. The recommended plan was presented as design 3-5, and included the purchase of fiber optic cable. This application and its associated costs do not include the cost or implementation of this cable. Thacker-Grigsby plans to introduce the fiber optic lines in the future on a per-need basis.

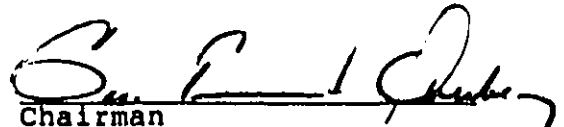
Thacker-Grigsby has no plans to borrow additional money for this project. The financing of the capital expenditure will be done by using existing REA loan funds or the corporation's general funds. There will be no changes to the subscriber's toll and extended area service calling areas or rates due to this project.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that the replacement of the VIDAR equipment and related telephone remotes is needed to provide adequate and dependable service to existing and future customers.

IT IS THEREFORE ORDERED that Thacker-Grigsby be and hereby is granted a Certificate of Public Convenience and Necessity to replace the VIDAR equipment and purchase new equipment and line, as described in its application.

Done at Frankfort, Kentucky, this 9th day of November, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice-Chairman


Commissioner

ATTEST:


Executive Director